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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:
USA COMMERCIAL MORTGAGE COMPANY,

USA CAPITAL REALTY ADVISORS, LLC

USA CAPITAL DIVERSIFIED TRUST DEED FUND,
LLC

USA CAPITAL FIRST TRUST DEED FUND, LLC,

USA SECURITIES, LLC

Debtors

Affects:
USA Commercial Mortgage Company

USACM LIQUIDATING TRUST,
Plaintiff,

v.

HOMES FOR AMERICA HOLDINGS, INC.; HFA
CLEAR LAKE, LLC; ONE POINT STREET, INC.; and
Mediterranee HFA, LLC f/k/a HFAH-Monaco, LLC

Defendants.

TO: DEBTORS, ALL CREDITORS, AND OTHER PARTIES IN INTEREST

PLEASE TAKE NOTICE that on July 24, 2009, the USACM Liquidating Trust (the
“USACM Trust”) filed its Motion for Approval of Settlement Pursuant to Rule 9019 of the
Federal Rules of Bankruptcy Procedure [Dkt. No. 7208] (the “Motion”), seeking entry of an order

Case No.: BK-S-06-10725-LBR
Case No. BK-S-06-10726-LBR
Case No. BK-S-06-10727-LBR
Case No. BK-S-06-10728-LBR
Case No. BK-S-06-10729-LBR

Chapter 11

Jointly Administered Under Case No.
BK-S-06-10725-LBR

Judge Linda B. Riegler

Adversary No. 08-1124

**AMENDED NOTICE OF
HEARING ON MOTION FOR
APPROVAL OF SETTLEMENT
PURSUANT TO RULE 9019 OF
THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE**

Hearing Date: August 21, 2009
Hearing Time: 9:30 a.m.

1 approving the Proposed Settlement¹ between the USACM Trust; Homes for America Holdings,
 2 Inc.; HFA Clear Lake, LLC; One Point Street, Inc.; and Mediterranean HFA, LLC f/k/a HFAH-
 3 Monaco, LLC.

4 Following extensive arms-length negotiations at a settlement conference conducted on
 5 January 21, 2009 before United States Bankruptcy Judge Newsome, the USACM Liquidating
 6 Trust and Defendants reached a tentative agreement to resolve the Pending Litigation subject to
 7 execution of a mutually-agreeable settlement agreement that is approved by the Bankruptcy Court.
 8

9 The material terms of the Proposed Settlement are summarized as follows²:

- 10 • HFAH, Clear Lake, Mediterranean (collectively, the “Responsible
 11 Defendants”) will give the USACM Trust Agreed Judgments in a
 12 joint and several amount of \$2,800,000.00 (the “Agreed
 Judgments”);
- 13 • The Responsible Defendants will pay the USACM Trust \$7,500.00
 14 per month, for 12 months, and \$60,000.00 in month 13. In
 15 consideration of these payments the USACM Trust agrees not to
 16 execute on the Agreed Judgments for 18 months. However, if the
 Responsible Defendants miss a payment the USACM Trust can
 execute on the Agreed Judgments immediately.
- 17 • The USACM Trust and One Point Street, Inc. immediately execute
 18 mutual releases upon the effective date of the Proposed Settlement.
- 19 • Upon satisfaction of the Agreed Judgments, the USACM Trust and
 20 the Responsible Defendants will execute mutual limited releases.

21 **NOTICE IS FURTHER GIVEN** that if you do not want the Court to grant the relief
 22 sought in the Motion, or if you want the Court to consider your views on the Motion, then you
 23 must file an opposition with the Court, and serve a copy on the person making the Motion ***no later***

24 ¹ Unless otherwise defined, capitalized terms are used as defined in the Motion.

25 ² The following is solely a summary of the terms of the Proposed Settlement, and in no way is intended as an
 26 amendment, modification, or supplementation of the Proposed Settlement terms. The terms of the
 confidential written settlement agreement between the Parties shall prevail in the event of any conflict with
 this summary.

1 *than 15 days* after the date of this Notice. If the hearing date has been set on less than 15 days'
 2 notice, then the opposition must be filed and served *no later than 5 business days* before the
 3 hearing. The opposition must state your position, set forth all relevant facts and legal authority,
 4 and be supported by affidavits or declarations that conform to Local Rule 9014(c).

5
 6 If you object to the relief requested in the Motion, you *must* file a **WRITTEN** response to
 7 the Motion with the Court. You *must* also serve your written response on the person who sent
 8 you this notice.

9 If you do not file a written response with the Court, or if you do not serve your written
 10 response on the person who sent you this notice, then:

- 11 • The Court may *refuse to allow you to speak* at the scheduled hearing; and
- 12 • The Court may *rule against you* without formally calling the matter at the hearing.

13
 14 **NOTICE IS FURTHER GIVEN** that the hearing on the said Motion will be held before
 15 the Honorable Linda B. Riegle, United States Bankruptcy Judge, in the Foley Federal Building,
 16 300 Las Vegas Boulevard South, Third Floor, Bankruptcy Courtroom No. 1, Las Vegas, Nevada
 17 89101 on **August 24, 2009, at 9:30 a.m.**

18 Dated: July 9, 2009

19 **DIAMOND MCCARTHY LLP**

LEWIS AND ROCA LLP

20 By: /s/ Stephen T. Loden

By: /s/ Rob Charles

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24 *Special Counsel for USACM Liquidating Trust*

Counsel for USACM Liquidating Trust

CERTIFICATE OF SERVICE

I hereby certify that I am an employee of the law firm of DIAMOND MCCARTHY LLP, and that on the 9th day of July 2009, I served a true and correct copy of the foregoing AMENDED NOTICE OF HEARING ON MOTION FOR APPROVAL OF SETTLEMENT PURSUANT TO RULE 9019 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE was served (1) by electronic transmission to all parties registered to receive ECF notification; (2) by electronic transmission to all parties on the Post-Effective Date Service List Dated March 31, 2009; and (3) by electronic transmission to counsel for the Defendants, Richard F. Holley, Victoria L. Nelson, Santoro, Driggs, Walch, Kearney, Holley & Thompson, 400 South Fourth Street, Third Floor, Las Vegas, Nevada 89101, rholley@nevadafirm.com, vnelson@nevadafirm.com and Mark N. Parry, Declan M. Butvick, Moses & Singer, LLP, The Chrysler Building, 405 Lexington Avenue, New York, New York 10174, mparry@mosessinger.com.

/s/ Catherine A. Burrow
Catherine A. Burrow
Legal Assistant
Diamond McCarthy LLP